

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

Y

W-02255A
Yarnell Water Improvement Association, Inc.
PO Box 727
Yarnell, AZ 85362

RECEIVED

MAR 17 2010

AZ CORP COMM
Director Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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3-17-10

COMPANY INFORMATION

Company Name (Business Name) Yarnell Water Improvement Assn.

Mailing Address PO Box 727

Yarnell
(City)

Arizona
(State)

85362
(Zip)

(928) 427-3321

Telephone No. (Include Area Code)

(928) 427-0243

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address yarnellwater@hughes.net

Local Office Mailing Address PO Box 727

Yarnell
(City)

Arizona
(State)

85362
(Zip)

(928) 427-3321

Local Office Telephone No. (Include Area Code)

(928) 427-0243

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address yarnellwater@hughes.net

MANAGEMENT INFORMATION

☐ Regulatory Contact:

☒ Management Contact: Tammy Zudell Office Manager

(Name)

(Title)

PO Box 727

(Street)

Yarnell

(City)

Arizona

(State)

85362

(Zip)

(928) 427-3321

Telephone No. (Include Area Code)

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Email Address yarnellwater@hughes.net

On Site Manager: Tammy Zudell

(Name)

PO Box 727

(Street)

Yarnell

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Telephone No. (Include Area Code)

(928) 427-0243

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address yarnellwater@hughes.net

Statutory Agent: Tammy Zudell
 (Name)

PO Box 727 Yarnell Arizona 85362
 (Street) (City) (State) (Zip)

(928) 427. 3321 (928) 427. 0243
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>non profit Corporation</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Yarnell Water Improvement Association

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	24,471	-	24,471
302	Franchises	34,884	-	34,884
303	Land and Land Rights	23,732	-	23,732
304	Structures and Improvements	59,613	46,022	12,867
307	Wells and Springs	1,784	1,784	-
311	Pumping Equipment	90,044	77,146	15,003
320	Water Treatment Equipment	72,507	72,507	-
330	Distribution Reservoirs and Standpipes	151,423	103,675	51,112
331	Transmission and Distribution Mains	866,661	600,262	277,284
333	Services	2,976	2,976	-
334	Meters and Meter Installations	84,967	69,697	21,838
335	Hydrants	60,309	31,797	31,193
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	38,236	32,253	4,064
340	Office Furniture and Equipment	6,181	4,888	1,835
341	Transportation Equipment	21,483	15,038	10,741
343	Tools, Shop and Garage Equipment	10,673	2,029	3,505
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	400	280	200
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	30,572	21,264	12,028
348	Other Tangible Plant	101,115	101,115	-
	TOTALS	1,686,938	1,182,733	524,757

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Yarnell Water Improvement Association

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	24,471		-
302	Franchises	34,884		-
303	Land and Land Rights	23,732		-
304	Structures and Improvements	59,613	3.33%	796
307	Wells and Springs	1,784	3.33%	-
311	Pumping Equipment	90,044	12.50%	2,768
320	Water Treatment Equipment	72,507	-	-
330	Distribution Reservoirs and Standpipes	151,423	2.22%	3,365
331	Transmission and Distribution Mains	866,661	2.00%	17,333
333	Services	2,976	3.33%	-
334	Meters and Meter Installations	84,967	8.33%	6,137
335	Hydrants	60,309	2.00%	1,235
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	38,236	6.67%	1,493
340	Office Furniture and Equipment	6,181	6.67%	543
341	Transportation Equipment	21,483	20.00%	4,297
343	Tools, Shop and Garage Equipment	10,673	5.00%	248
344	Laboratory Equipment	-	10.00%	-
345	Power Operated Equipment	400	20.00%	80
346	Communication Equipment	-	10.00%	-
347	Miscellaneous Equipment	30,572	10.00%	2,719
348	Other Tangible Plant	101,115	3.33%	-
	TOTALS	1,686,938		36,014

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME Yarnell Water Improvement Association

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 9,141	\$ 4,093
134	Working Funds	274	1,472
135	Temporary Cash Investments	12,850	11,496
141	Customer Accounts Receivable	18,551	24,466
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	2,978	285
174	Miscellaneous Current and Accrued Assets	162	
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 43,956	\$ 30,030
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,670,395	\$ 2,036,561
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(1,111,491)	(1,182,733)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 558,904	\$ 853,829
	TOTAL ASSETS	\$ 602,860	\$ 883,859

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Yarnell Water Improvement Association

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 480	\$ 5,387
232	Notes Payable (Current Portion)	2,614	268,932
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	14,890	15,385
236	Accrued Taxes	13,358	9,037
237	Accrued Interest	1,116	15,845
241	Miscellaneous Current and Accrued Liabilities		3,550
	TOTAL CURRENT LIABILITIES	\$ 39,160	\$ 318,136
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 10,878
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 39,160	\$ 329,014
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 594	\$ 594
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	230,405	288,935
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 844,699	\$ 231,089
	TOTAL LIABILITIES AND CAPITAL	\$ 883,859	\$ 559,766

COMPANY NAME Yarnell Water Improvement Association

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR 2008	CURRENT YEAR 2009
461	Metered Water Revenue	\$ 215,532	248,225
460	Unmetered Water Revenue		
474	Other Water Revenues	4,691	5,158
	TOTAL REVENUES	\$ 220,223	\$ 253,810
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 125,909	\$ 148,728
610	Purchased Water		
615	Purchased Power		
618	Chemicals	(28)	552
620	Repairs and Maintenance	22,821	20,253
621	Office Supplies and Expense	28,103	26,841
630	Outside Services	16,855	3,640
635	Water Testing	2,978	4,473
641	Rents		
650	Transportation Expenses	3,352	5,797
657	Insurance – General Liability	13,546	10,778
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2,997	1,189
403	Depreciation Expense	37,208	36,014
408	Taxes Other Than Income	65	
408.11	Property Taxes	10,680	11,977
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 264,486	\$ 270,419
	OPERATING INCOME/(LOSS)	\$ (44,263)	\$ (16,609)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 509	\$ (43)
421	Non-Utility Income	319	642,394
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	15,005	12,131
	TOTAL OTHER INCOME/(EXPENSE)	\$ (14,177)	\$ 630,219
	NET INCOME/(LOSS)	\$ (58,440)	\$ 613,610

COMPANY NAME Yarnell Water Improvement Association

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	06/25/74	04/25/75	10/07/09	
Source of Loan			USDA-RD/RUS	
ACC Decision No.			71298	
Reason for Loan			UPDATE INFRASTRUCTURE	
Dollar Amount Issued	\$ 769,000	\$ 100,000	\$ 767,000	\$
Amount Outstanding	\$ 0	\$ 0	\$ 767,000	\$
Date of Maturity			10/14/2049	
Interest Rate	5 %	5 %	3.375 %	%
Current Year Interest	\$ 18,501	\$ 2,409	\$ 0	\$
Current Year Principle	\$ 238,194	\$ 30,737	\$ 767,000	\$

Meter Deposit Balance at Test Year End

\$ 11,495.64

Meter Deposits Refunded During the Test Year

\$ 992.36

COMPANY NAME	Yarnell Water Improvement Association
Name of System:	ADEQ Public Water System Number: 13-057

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-616-736	5	230	180	6	3	
55-616-737	7	240	220	6	3	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	2	77-6	7-2

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000	2		
40,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Yarnell Water Improvement Association		
Name of System:	ADEQ Public Water System Number:	13 - 057	

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		-
3		-
4		7,180
5		-
6		62,920
8		18,480
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	608
3/4	
1	9
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	
STAND PIPE	1
	619

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Liquid Chlorine

STRUCTURES:

OTHER:

Fire Hydrants - 6" - 77

Fire Hydrants - 2" - 6

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>Yarnell Water Improvement Association</u>
Name of System: <u>ADEQ Public Water System Number: 13-057</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	587	1,171,800	1,352,000	
FEBRUARY	583	1,113,400	1,214,600	
MARCH	582	1,447,300	1,616,000	
APRIL	580	1,827,900	1,971,000	
MAY	584	2,227,200	2,444,000	
JUNE	579	2,413,000	2,610,000	
JULY	578	2,896,100	3,202,800	
AUGUST	578	2,564,300	2,798,000	
SEPTEMBER	579	2,420,600	2,612,000	
OCTOBER	582	1,822,100	2,011,000	
NOVEMBER	583	1,275,500	1,646,000	
DECEMBER	582	1,457,000	1,989,000	
TOTALS →		22,636,200	25,466,400	

What is the level of arsenic for each well on your system? .0030 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 5 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes ☐ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	Yarnell Water Improvement Association
Name of System:	ADEQ Public Water System Number: 13-057

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	1	
FEBRUARY	0	1	
MARCH	0	0	
APRIL	0	0	
MAY	0	4	
JUNE	0	0	
JULY	0	0	
AUGUST	0	1	
SEPTEMBER	0	0	
OCTOBER	0	1	
NOVEMBER	0	1	
DECEMBER	0	1	
TOTALS →	0	10	

OTHER (description):

COMPANY NAME Yarnell Water Improvement Assn YEAR ENDING 12/31/2009

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2009 was: \$ 11,976.64

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED
MAR 17 2010
AZ CORP COMB
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>YAVAPAI</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>TAMMY ZUDELL</u> <u>OFFICE MANAGER</u>
COMPANY NAME	<u>YARNELL WATER IMPROVEMENT ASSOCIATION</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

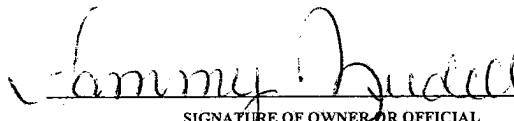
MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

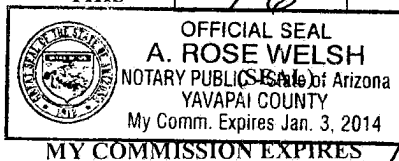
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL
(928) 427-3321
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

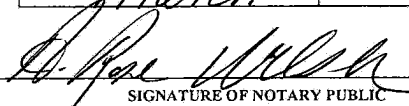
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 16 DAY OF



MY COMMISSION EXPIRES 1-3-2014

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>March</u> <u>2010</u>


SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Yarnell Water Improvement Assn. YEAR ENDING 12/31/2009

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported -0-
Estimated or Actual Federal Tax Liability -0-

State Taxable Income Reported -0-
Estimated or Actual State Tax Liability -0-

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -0-
Amount of Gross-Up Tax Collected -0-
Total Grossed-Up Contributions/Advances -0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Tammy Zudell
SIGNATURE

2/8/2010
DATE

Tammy Zudell
PRINTED NAME

Office Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

MAR 17 2010

ARIZONA CORP COMM
Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Tammy Zudell</u> <u>Office Manager</u>
COMPANY NAME	<u>Yarnell Water Improvement Association</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2009</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 253,810

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 14,284
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Tammy Zudell
SIGNATURE OF OWNER OR OFFICIAL
(928) 427-8321
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

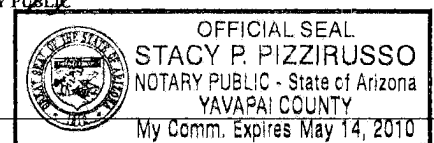
THIS 12 DAY OF

COUNTY NAME	<u>YAVAPAI</u>
MONTH	<u>MARCH</u>
	<u>2010</u>

(SEAL)

MY COMMISSION EXPIRES 5/14/10

Stacy P. Pizzirusso
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
MAR 17 2010
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai</u>	
NAME (OWNER OR OFFICIAL) <u>Tammy Zudell</u>	TITLE <u>Office Manager</u>
COMPANY NAME <u>Yarnell Water Improvement Association</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>253,810</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 14,284
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Tammy Zudell
SIGNATURE OF OWNER OR OFFICIAL
(928) 427-3321
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

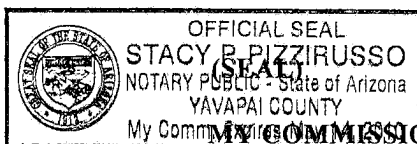
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12

DAY OF

NOTARY PUBLIC NAME <u>Stacy P. Pizzirusso</u>	
COUNTY NAME <u>YAVAPAI</u>	
MONTH <u>MARCH</u>	20 <u>10</u>



Stacy P. Pizzirusso
SIGNATURE OF NOTARY PUBLIC